



OFFICE OF SPEAKER NANCY PELOSI FACT SHEET

FY 2008 TRANSPORTATION-HUD APPROPRIATIONS

Key Points:

- The Transportation-HUD Appropriations bill aids more American families with affordable housing, helps modernize our transportation infrastructure – including to rural America, creates American jobs, and restores damaging cuts the President proposed.
- In addition to making college and health care more affordable for American families, the New Direction Congress is determined to reverse years of neglect and expand the availability of affordable housing.
- The President is once again proposing cuts in affordable housing programs – proposing \$2.2 billion in cuts. This bill rejects these harmful cuts – and instead provides a modest 5 percent increase over 2007. Examples of cuts that the bill rejects are the President's 47 percent cut in housing for people with disabilities and his 22 percent cut in housing for seniors.
- The New Direction Congress also believes that investments in modernizing our transportation infrastructure are crucial to creating a dynamic 21st century economy. The bill rejects many of the President's cuts in transportation, including his 22 percent cut in airport improvement grants and his 50 percent cut in Essential Air Service for rural America.

Today and tomorrow, the House will consider H.R. 3074, FY 2008 Transportation-HUD Appropriations. This bill provides \$50.7 billion in discretionary spending, which is \$3.2 billion over FY 2007 and \$2.8 billion over the President's request. Following are highlights of some of the bill's provisions.

Housing/Community Development

Section 8 housing vouchers. The President's inadequate budget for Section 8 would have forced between 40,000 and 80,000 families and individuals to lose their housing vouchers. The bill provides an increase above the President's budget of \$330 million for tenant-based vouchers and nearly \$667 million for projected-based vouchers in order to renew all current Section 8 vouchers, so no one who has a tenant-based voucher will lose it. In addition, included within this amount is \$30 million for 4,000 new, targeted vouchers for homeless veterans and for non-elderly people with disabilities.

Housing for seniors. The President's budget proposes slashing the Section 202 housing program for low-income seniors by \$160 million or 22 percent below 2007. The bill rejects this cut – instead providing \$734.5 million, the same as 2007. The President has proposed significant cuts in this program year after year. And yet, there are currently ten seniors waiting for each senior housing unit that becomes available.

Housing for people with disabilities. The President's budget proposes slashing Section 811 housing for people with disabilities program by \$112 million or 47 percent below 2007. The bill rejects this cut –

instead providing \$236.6 million, the same as 2007. This is a vitally needed program – with a continuing inadequate supply of this type of housing.

HOPE VI Program. The President’s budget proposes eliminating the highly successful HOPE VI program, which revitalizes distressed and obsolete public housing projects – but the bill rejects this elimination and instead provides \$120 million, \$21 million over 2007. In HOPE VI projects, for every government dollar, there has been generated three or four private sector dollars. HOPE VI projects have been credited with helping transform and revitalize communities across the United States.

Community Development Block Grant. The President’s budget proposes slashing the Community Development Block Grant, which local communities use to address challenges like affordable housing and economic development, by \$735 million or 19 percent below 2007. The bill rejects this cut – instead providing \$4 billion, or \$228 million above 2007. This funding level is still \$400 million below funding in 2001, as the GOP-controlled Congress shortchanged this vital program for years.

Transportation

Highway infrastructure. The bill provides \$40.2 billion, \$1.25 billion above 2007 and \$631 million above the President’s request, to improve and maintain our nation’s aging highway infrastructure. The increase meets the fully authorized level established in SAFETEA-LU and will create almost 59,500 jobs across all sectors of the economy.

Mass transit. The bill provides \$9.7 billion, \$782 million above 2007 and \$334 million above the President’s request, for the activities of the Federal Transit Administration. Included within this amount is an increase of \$300 million for capital investment grants, an increase which is expected to generate as many as 17,400 new jobs and yield \$1.8 billion in economic benefits to state and local communities.

Airport modernization, safety and efficiency grants. The President’s budget proposes slashing these grants by \$765 million or 22 percent below 2007. The bill rejects this cut – and instead provides \$3.6 billion, or \$86 million above 2007. In a time of rapidly growing air travel, these grants are more vital than ever. These grants are needed to ease congestion and prepare our nation’s airport infrastructure to handle an anticipated 1 billion passengers by 2015.

Amtrak. The President’s budget proposes slashing Amtrak by \$394 million or 30 percent below 2007, which would have resulted in the loss of intercity passenger rail service to many communities. Therefore, the bill rejects this cut, providing \$1.4 billion, in order to preserve a national system and assist Amtrak in making capital investments to improve the railroad’s overall service and reliability.

Rural Communities

Essential Air Service. The President’s budget proposes slashing the Essential Air Service program, which ensures essential air service to small and rural communities, by 50 percent. The President’s proposal would have resulted in the elimination of air service to nearly one-half of the communities that currently receive service. The bill rejects this cut – instead providing \$110 million, or \$600,000 above 2007.

Rural Housing and Economic Development. The President’s budget also proposes eliminating the Rural Housing and Economic Development program, which is designed to revitalize economically depressed rural communities. The bill rejects this elimination – and instead provides \$16.8 million, the same as 2007.